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Banks & Thrifts

Price:	$23.03
Price Target:	$27.50
52-Week Range:	$17.86 - $25.17
Market Cap (MM):	$164
Shr.O/S-Diluted (mm):	7.1
Average Daily Volume:	48,440
Dividend (Quarter):	$0.10
Yield:	1.7%
Tang Book Value:	$25.63
Price/Tangible Book:	0.90x

FYE: Dec	2025A	2026E	2027E
EPS - non-GAAP Adjusted:	$1.82A	$2.26E	$2.42E
Prior EPS - non-GAAP Adjusted:		$2.25	$2.40

Quarterly EPS - non-GAAP Adjusted:

Q1	$0.25A	$0.55A	$0.55E
Q2	$0.54A	$0.53E	$0.60E
Q3	$0.57A	$0.58E	$0.63E
Q4	$0.46A	$0.60E	$0.64E
EPS - non-GAAP Adjusted	$1.82A	$2.26E	$2.42E

MainStreet Bancshares, Inc. is a $2.2B Asset community bank in Northern Virginia and the Washington, D.C. MSA serving local commercial business and individual customers with deposit, credit, and cash management products. The company has focused professionals servicing and attracting business deposits and related customers.

1 Year Price History for MNSB

May 27, 2026

MainStreet Bancshares, Inc. (MNSB) - BUY

MNSB in VA: Stronger Buybacks Disclosed for 2Q26. This Leads Us to Raise EPS Estimates Modestly as Stock Still Trades Below TBV per Share. TBV Growth 7% to 8% in Forward Quarters.

PORTFOLIO MANAGER BRIEF

MNSB disclosed via 8-K filing on 5/26 that it has repurchased 207K shares in 2Q-2026 since April 1st. This is more than twice our forecast amount for this quarter (and our quarterly pace thru 4Q-2027). Keeping our forward buybacks unchanged at 100K per quarter, the EPS impact is at least one penny per share in 2026 and two cents in 2027. Our EPS forecast has been modified upward accordingly.

These share repurchases were done at $24.09 or 94% of tangible book per share at 3-31-26 (and 92% of our forecast TBV at 6-30-25).

The company has an 8.44% TCE ratio and over a 14.6% CET-1 regulatory capital at the FDIC bank subsidiary. We expect the TCE ratio falls near 8.0% in the next 7 quarters with ongoing share buybacks while the CET-1 should remain near 14.0%. Our repurchases remain conservative and could be higher in our EPS model. TBV per share is rising by 7% in 2026 and another 8% in 2027.

Our Price Target remains $27.50 or 1.01x forward TBV at year-end 2026 and a discount to our $29.39 TBV forecast for December 2027. We place an 11x P/E multiple to derive our higher stock price outlook. Further, the inherent net Deposit premium is a modest 1% discount as we explain in our Page 2 analysis.

Reiterate BUY rating given low valuation, proper buyback discipline, and several peer Bank stocks trading at higher comparable levels (see page 4).

Price Target: *We See MNSB Shares Reaching $27.50 in the Next 18 Months, Near 1x TBV per Share*

Brean Research Rating: "BUY"

Price Target: $27.50

	2026	Multiple	Price
GAAP EPS	$2.26	12.0x	$27.10
Dividends	$0.40	1.0x	$0.40
		Combined	**$27.50**
Tangible Book 12/26	**$27.20**	**1.01x**	**$27.50**

Implied Gain/Loss versus Current Price: 19.4%

Alternative			
2027 EPS	$2.42	11.2x	$27.10
Cash Dividends	$0.40	1.0x	$0.40
			$27.50
Tangible Book 12/27	$29.39	0.94x	**$27.50**

Source: Brean Research & Forward Estimates

Deposit Franchise Valuation *(with Fair Value Marks)*

	MAR '26	DEC '26	DEC '27	
Market-Cap.	168.7	187.8	180.1	
TCE in $$	187.7	188.5	192.5	
Residual Premium	(19.0)	(0.7)	(12.4)	
TOTAL DEPOSITS	1,914.7	1,992.3	2,066.0	
Brokered	515.0	504.7	494.4	*removes reciprocal deposits*
Govt/Municipal	136.0	130.6	127.8	
Franchise Deposits	1,263.7	1,357.0	1,443.8	*BETA '27 29%*
Cost of Funds	2.80%	2.80%	2.73%	
Advantage vs Fed Funds	0.84%	0.84%	0.68%	*Fed Funds 3.64% in '26, 3.40% in '27*
Value: 2x to 2.5x multiple	1.9%	2.1%	1.7%	
Franchise Value	23.9	28.5	24.4	
Gov/Muni Value (1x)	1.1	1.1	0.9	
Gross Deposit Value	**25.0**	**29.6**	**25.2**	
less: AOCI	(5.9)	(5.5)	(4.8)	*AOCI improves 8% by '26, 19% by '27*
less: HTM marks	(0.1)	(0.1)	(0.1)	
less: 0.3% Loan mark	(4.2)	(4.6)	(3.9)	*FAS 107 in 10-Q*
less: 2.0% Credit mark	(29.2)	(30.4)	(31.6)	*marks for unforeseen risks*
Net Deposit Value	**(14.5)**	**(10.9)**	**(15.1)**	
per share	*($1.97)*	*($1.58)*	*($2.31)*	
Add: TBV per share	$25.63	$27.20	$29.39	
Add: AOCI per share	$0.81	$0.79	$0.73	*add-back to avoid double counting*
TOTAL FAIR VALUE	**$24.47**	**$26.41**	**$27.81**	
Gross Deposit Premium	1.8%	2.0%	1.6%	
Net Deposit Premium	**(1.0%)**	**(0.7%)**	**(1.0%)**	

Factors earnings/balance sheet projections thru December 2027

Credit Mark per share	$3.80	$4.39	$4.82

Source: Brean Research and future forecasts (see page 3)

MainStreet Bancshares, Inc. **Updated 5-27-2026**

Earnings Model

one-time NII: $1.5M 2Q25, ($0.6M) 3Q25, ($0.6M) 4Q25

				2025 Quarterly				2026 Quarterly				2027 Quarterly			
	2025	2026E	2027E	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	1Q27E	2Q27E	3Q27E	4Q27E
Income Data: ($Mil.)															
Net Interest Income	$69.54	$72.69	$74.99	$16.51	$18.79	$17.10	$17.14	$17.49	$18.06	$18.48	$18.66	$18.24	$18.60	$19.02	$19.14
Loan Loss Provision	($0.07)	$2.02	$3.01	$0.00	($0.54)	$0.14	$0.33	($0.13)	$0.73	$0.72	$0.70	$0.64	$0.70	$0.85	$0.82
Non-Interest Income	$3.78	$4.35	$4.44	$0.94	$0.96	$0.98	$0.90	$1.09	$1.08	$1.09	$1.09	$1.10	$1.10	$1.12	$1.12
Gain/Loss on Loan Sales	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Gain/Loss on Securities	$0.25	($0.69)	$0.00	$0.00	$0.10	$0.15	$0.00	($0.69)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
One-Time Items	($1.80)	$0.00	$0.00	$0.00	($1.80)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Non-Interest Expense	$52.75	$51.55	$53.20	$14.31	$12.95	$12.67	$12.83	$12.67	$12.85	$12.98	$13.04	$13.18	$13.25	$13.33	$13.43
Pre-Tax Income	$19.09	$22.78	$23.23	$3.14	$5.65	$5.41	$4.89	$5.36	$5.56	$5.86	$6.00	$5.51	$5.76	$5.95	$6.00
Taxes (w/ FTE adj.)	$3.48	$4.89	$4.70	$0.68	$1.06	$0.90	$0.84	$1.26	$1.17	$1.23	$1.23	$1.16	$1.15	$1.19	$1.20
Extraordinary Items	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Net Income	$15.61	$17.90	$18.53	$2.45	$4.59	$4.52	$4.05	$4.10	$4.39	$4.63	$4.77	$4.35	$4.61	$4.76	$4.80
Preferred Dividend	$2.16	$2.16	$2.16	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54	$0.54
Net Income Avail. Common	**$13.46**	**$15.74**	**$16.37**	**$1.91**	**$4.05**	**$3.98**	**$3.51**	**$3.56**	**$3.85**	**$4.09**	**$4.23**	**$3.81**	**$4.07**	**$4.22**	**$4.26**
Avg. Shares O/S	7.7	7.2	6.8	7.6	7.7	7.7	7.6	7.5	7.2	7.1	7.0	6.9	6.8	6.7	6.6
Earnings Per Share (EPS)	**$1.76**	**$2.19**	**$2.42**	**$0.25**	**$0.53**	**$0.52**	**$0.46**	**$0.48**	**$0.53**	**$0.58**	**$0.60**	**$0.55**	**$0.60**	**$0.63**	**$0.64**
Per Share Data:															
Reported Book Value	$25.52	$27.20	$29.39	$23.67	$24.17	$24.81	$25.52	$25.63	$26.14	$26.66	$27.20	$27.69	$28.23	$28.80	$29.39
Tangible Book Value	**$25.52**	**$27.20**	**$29.39**	**$23.67**	**$24.17**	**$24.81**	**$25.52**	**$25.63**	**$26.14**	**$26.66**	**$27.20**	**$27.69**	**$28.23**	**$28.80**	**$29.39**
Dividends	$0.40	$0.40	$0.40	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
Pre-Tax, Pre-Provision EPS	**$2.69**	**$3.54**	**$3.88**	**$0.41**	**$0.73**	**$0.77**	**$0.69**	**$0.79**	**$0.87**	**$0.93**	**$0.96**	**$0.89**	**$0.95**	**$1.01**	**$1.03**
CORE GAAP EPS	**$1.82**	**$2.26**	**$2.42**	**$0.25**	**$0.54**	**$0.57**	**$0.46**	**$0.55**	**$0.53**	**$0.58**	**$0.60**	**$0.55**	**$0.60**	**$0.63**	**$0.64**
KEY Ratios:															
Net Interest Margin	3.39%	3.49%	3.50%	3.30%	3.49%	3.42%	3.36%	3.47%	3.49%	3.50%	3.51%	3.49%	3.50%	3.51%	3.51%
CORE Return on Avg Assets	0.81%	0.82%	0.83%	0.47%	0.78%	0.85%	0.75%	0.77%	0.81%	0.83%	0.85%	0.80%	0.83%	0.84%	0.84%
Pre-Tax Pre-Provision ROA	**0.97%**	**1.17%**	**1.18%**	**0.60%**	**1.05%**	**1.10%**	**0.97%**	**1.11%**	**1.16%**	**1.18%**	**1.20%**	**1.13%**	**1.16%**	**1.20%**	**1.20%**
Efficiency Ratio	71.9%	66.9%	67.0%	82.0%	65.5%	70.1%	71.1%	68.2%	67.1%	66.3%	66.1%	68.2%	67.2%	66.2%	66.3%
Overhead Ratio	2.50%	2.37%	2.40%	2.69%	2.43%	2.39%	2.39%	2.34%	2.36%	2.35%	2.35%	2.38%	2.38%	2.37%	2.37%
TCE Ratio	8.6%	8.1%	7.9%	8.2%	8.8%	9.0%	8.6%	8.4%	8.2%	8.2%	8.1%	8.1%	8.0%	7.9%	7.9%
Period-End Balances: ($Mil.)															
Earning Assets	$2,088	$2,164	$2,220	$2,120	$1,979	$1,998	$2,088	$2,101	$2,131	$2,150	$2,164	$2,175	$2,188	$2,206	$2,220
Total Assets	$2,213	$2,323	$2,438	$2,223	$2,115	$2,125	$2,213	$2,223	$2,257	$2,297	$2,323	$2,334	$2,369	$2,412	$2,438
Net Loans	$1,842	$1,926	$1,997	$1,812	$1,767	$1,788	$1,842	$1,851	$1,886	$1,909	$1,926	$1,939	$1,956	$1,979	$1,997
Total Deposits	$1,899	$1,992	$2,066	$1,908	$1,799	$1,811	$1,899	$1,915	$1,951	$1,975	$1,992	$2,006	$2,023	$2,048	$2,066
Intangibles	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total **Common** Equity	$191	$188	$192	$182	$186	$191	$191	$188	$186	$187	$188	$189	$190	$191	$192

Source: Brean Research, S&P Capital IQ

Alternative Bank Stocks: *MNSB Valuation vs Nearby Financial Institutions In DC-MD-VA-PA*

Co. Name	Ticker	Stock Price	Market Cap. ($M) 05-26-26	Dividend Yield (%)	P-to-TBV	P-to-TBV ex-AOCI	ROA: *2026 est.*	ROA: *2027 est.*	P/E 2026	P/E 2027	% LOANS RESERVES *(%, all-in)*	FUNDING Advantage: *Funding vs FedFunds (3.64%)*	** FDIC data 3/31 ** CRE "all in" *(% Loans)*	C&I focus *(% Loans)*	Mortgage *(% Loans)*
Bank Peers															
MainStreet Bcshs	**MNSB**	**$23.03**	**$158**	**1.74**	**90%**	**87%**	**0.83**	**0.84**	**10.2x**	**9.6x**	**1.03**	**(0.64)**	83%	4%	10%
Burke & Herbert Finl Svcs Corp	BHRB	$63.02	$1,270	3.50	122%	112%	1.51	1.58	7.8x	7.1x	1.26	(1.70)	69%	9%	18%
Blue Ridge Bankshares Inc.	BRBS	$3.28	$290	0.00	105%	95%	NA	NA	na	na	1.05	(1.22)	50%	14%	31%
Carter Bankshares	CARE	$27.35	$608	1.46	121%	111%	1.92	1.07	5.0x	10.7x	1.48	(1.39)	71%	4%	20%
Eagle Bancorp Inc	EGBN	$26.99	$823	0.15	72%	67%	0.49	0.75	15.8x	10.3x	2.17	(0.84)	72%	15%	3%
Freedom Finl Holdings Inc.	FDVA	$12.20	$86	NA	101%	86%	NA	NA	na	na	na	(0.84)	47%	22%	27%
F.N.B. Corp.	FNB	$17.63	$6,276	2.97	146%	143%	1.22	1.29	10.2x	9.0x	1.26	(1.66)	34%	20%	34%
FVCBankcorp Inc.	FVCB	$15.87	$286	1.78	113%	105%	1.19	1.22	10.4x	9.9x	1.02	(1.07)	60%	23%	14%
First National Corp.	FXNC	$27.94	$253	2.44	146%	136%	1.03	1.06	11.9x	11.1x	1.00	(2.40)	55%	8%	31%
John Marshall Bancorp Inc.	JMSB	$21.32	$299	1.71	112%	109%	1.08	1.17	11.6x	10.0x	1.01	(1.20)	71%	2%	25%
Potomac Bancshares Inc.	PTBS	$22.26	$92	2.67	109%	104%	NA	NA	na	na	na	(1.91)	54%	8%	32%
Shore Bancshares Inc.	SHBI	$20.47	$685	2.77	134%	132%	1.12	1.14	9.9x	9.3x	1.24	(1.77)	59%	4%	27%
Atlantic Union Bkshs Corp.	**AUB**	$38.20	$5,467	3.94	192%	175%	1.41	1.40	10.3x	9.6x	1.04	(1.62)	56%	19%	14%
Fulton Financial Corp.	**FULT**	$21.77	$4,161	3.54	144%	133%	1.19	1.29	9.9x	9.2x	1.58	(1.80)	41%	12%	30%
TowneBank	**TOWN**	$34.58	$3,157	3.23	161%	156%	1.30	1.39	10.9x	9.9x	1.31	(1.98)	59%	11%	16%
United Bankshares Inc.	**UBSI**	$43.76	$6,016	3.51	176%	169%	1.47	1.44	12.1x	11.5x	1.20	(1.72)	57%	10%	23%
WesBanco Inc.	**WSBC**	$34.91	$3,358	4.40	156%	146%	1.25	1.30	9.7x	8.8x	1.10	(1.73)	56%	12%	22%

Source: Brean Research, S&P Capital IQ

Highlighted Disclosure: *MNSB Increased the Top End of its Loan Growth Guidance to 5%*

Source: Brean Research, Company SEC 8-K filing

IMPORTANT DISCLOSURES

Valuation and Risks

MNSB

Our price target is derived by applying a multiple on both forward EPS and tangible book value (TBV) estimates in the next year. Brean coordinates fair value with the underlying deposit valuation via the relationship between funding costs, the fed funds rate, and tenure of customer relationships.

Bank stock prices are dependent on confidence in quarterly and annual tangible book value (TBV) growth coupled with consistent progress on core deposit relationships. Credit quality impacts TBV success in addition to managing interest rate risk, expenses, and a balanced revenue stream.

Research Analyst Certification

I, Christopher Marinac, the Primarily Responsible Analyst for this research report, hereby certify that all of the views expressed in this research report accurately reflect my personal views about any and all of the subject securities or issuers. No part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views I expressed in this research report.

Brean Capital LLC ("Brean") Equity Research Disclosure Legend

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The research analyst is compensated based on, in part, Brean Capital's profitability, which includes its investment banking revenues.

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BUY: Brean Capital LLC expects that the subject company will appreciate in value. Additionally, we expect that the subject company will outperform comparable companies within its sector.

NEUTRAL: Brean Capital LLC believes that the subject company is fairly valued and will perform in line with comparable companies within its sector. Investors may add to current positions on short-term weakness and sell on strength as the valuations or fundamentals become more or less attractive.

SELL: Brean Capital LLC expects that the subject company will likely decline in value and will underperform comparable companies within its sector.

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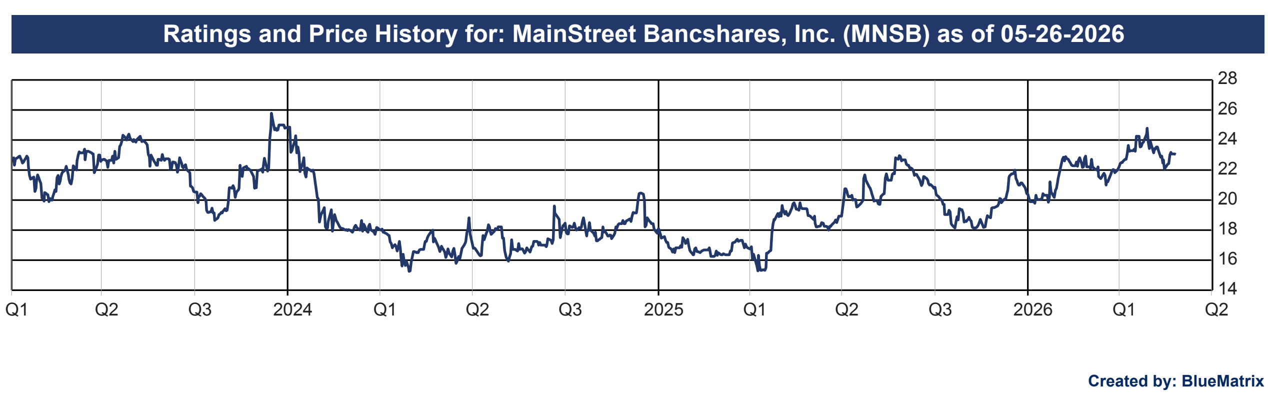
Price Charts



Brean Capital Ratings Distribution as of 2-1-2026

Rating	Count	Percent	IB Serv./Past 12 Mos.* Count	Percent
BUY [B]	128	55.90	28	21.88
NEUTRAL [N]	101	44.10	16	15.84
SELL [S]	0	0.00	0	0.00
EXTENDED REVIEW [EXTRE]	0	0.00	0	0.00

*Percentages of each rating category where Brean Capital has performed Investment Banking services over the past 12 months.

Other Disclosures

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